to K.M.S.B. at least fifteen (15) days prior to such first day of such month.

IN WITNESS WHEREOF, K.M.S.B. and the Employer have caused this contract to be executed (in duplicate) on the date hereinabove first written, by their respective undersigned officers, pursuant to due authorization so to do heretofore granted to such officers, respectively.

KLAMATH MEDICAL SERVICE BUREAU

..... By (Signed) CHAS. RUGH
Employer President

By (Signed) PAUL W SHARP
Secretary

..... By .....
Agent Manager

(SEAL) (SEAL)

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**Plaintiff's Exhibit 1156**

11016

FULL COVERAGE
MEDICAL CONTRACT

(Non-Industrial)

THIS AGREEMENT, made and entered into this .....day of ....., 19....., by and between the KLAMATH MEDICAL SERVICE BUREAU, an Oregon corporation, licensed to conduct the business of a medical service bureau under the laws of the State of Oregon, hereinafter called the Bureau, and....., hereinafter called the Employer.

WITNESSETH: The Bureau, for and in consideration of the covenants and agreements of the Employer and the mutual covenants and agreements hereinafter contained, and the faithful compliance with them by the Employer, covenants and agrees as follows:

To furnish and bear the expense of medicines, medical and surgical services, hospital accommodations, dental services and other benefits specified herein as the same shall be required, to all employees employed by the Employer at the Employer's operation at.....,

during such time as this contract shall be in force and effect, and under the provisions herein. For the purpose of this agreement, "employee" shall mean any person actually employed by and receiving wages or salary from the above named Employer.

The services herein contracted to be furnished by the Bureau are as follows:

1. *Medical and Surgical Service*:

Medical and surgical services shall mean necessary medical and surgical treatment, except as hereinafter set forth, required by employees for injuries or sickness, whether or not the same occur during working hours. Such medical and surgical services shall be furnished by physicians and surgeons of the Bureau and such physicians and surgeons may be called for outside office services only when the injuries or illness of the employee is of too serious a nature to permit him to call at the physician's or surgeon's office. It is particularly agreed and understood that each and every employee covered by this contract shall be entitled to unrestricted choice of available physicians from the Bureau's list of member physicians in the treatment of any illness or injury, excepting that the Bureau shall retain the right to direct the medical or surgical procedure in every case when, in the opinion of the Bureau, such
11017 direction is required for the welfare of the patient.

2. *Specialists*:

Services of the Staff specialists of this Bureau or other Oregon affiliate bureaus will be provided upon the recommendation of the attending staff physician.

3. *Dental Service*:

Any services ordinarily performed by a dentist are not covered by this agreement. Hospital services for dental conditions are also excluded. Dental x-rays will be furnished at the request of the attendant Staff physician.

4. *Medicines*:

The Bureau will furnish all medicines, including the filling of prescriptions written by Bureau staff physicians, and medical and surgical supplies requested by Bureau physicians in the treatment of the employee. The Bureau will not furnish or pay for the filling of prescriptions for

any vitamin, liver extracts, hormones, or other drugs used as a supplement to diet.

5. *First Aid*:

The Bureau will provide and deliver to the Employer adequate medicine chests to be located at such place or places as may be designated by the Employer and acceptable to the employees, for employees' use and treatment of illness or non-industrial injuries, and stock in such cabinets will be replenished by the Bureau upon order of the Employer. These chests will contain the usual First Aid Supplies as approved by the physicians of this Bureau and are to be returned to the Bureau with unused contents thereof at the termination of this contract.

6. *Hospital Services*:

The Bureau will provide hospital services and accommodations as defined herein when necessary for the treatment of employees. Such hospital services shall include ward accommodations, board, hospital staff nurse, use of surgery, X-ray, laboratory services, and medical and surgical attendants.

7. *Ambulance Service*:

The Bureau shall provide the necessary ambulance service or other appropriate transportation for conveying the seriously sick and injured to such hospitals as are appointed by the Bureau to render hospital service in the event that ordinary available transportation shall not be suitable.

11018 8. *Special Nurse*:

The Bureau will pay 50 percent of the cost of special nurses for a period not to exceed thirty days, when in the judgment of the attending physician or surgeon a special nurse is required.

9. *X-ray Service*:

The Bureau will provide X-ray service in case of fracture or suspected fracture, or in such other cases as shall be deemed advisable by the attending physician or surgeon.

10. *Physical-Therapy Service*:

The Bureau will provide physical therapy treatments when in the judgment of the attending physician or surgeon such treatments shall be necessary.

11. *Refractions*:

The Bureau will provide for the examination of eyes or testing for glasses by Bureau specialists after the employe shall have been under the coverage of this contract for a period of six full months; provided, that not more than one such examination shall be made in any twelve-months period. The Bureau will not furnish glasses.

12. *Physical Examinations*:

The Bureau will provide a complete physical examination by staff physicians to determine the cause of illness when requested by an employee. Physical examinations will not be provided for any other purpose.

13. *Prophylactic Measures*:

The Bureau will furnish such prophylactic measures as may be necessary in preventing the spread of disease among employees of the Employer. This service includes cooperation with the State Board of Health in the analysis of drinking water and general sanitation work.

14. *Welfare Department*

The Bureau will maintain a welfare department through which it will report to the Employer the condition and progress of patients under its care as requested by the Employer, and will report on such other matters as in its judgment are of special interest to the Employer, including matters which may in any manner affect claims for Workman's Compensation and those affecting the general welfare of the employees of the Employer.

11019 15. *Maternity Care*:

Notwithstanding any provisions to the contrary, the Bureau will provide the hospital services herein defined for the treatment of female disorders, when such female disorders did not originate prior to the coverage under this contract or become acute prior to six months coverage of the employee hereunder. Hospital services are also provided for maternity care after the employee

shall have been under coverage of this contract for ten full consecutive months or 300 days. The benefits of this paragraph are limited to hospital services only.

16. *Liability*:

The Bureau agrees to hold the Employer harmless from any claim or action for malpractice or other damage on account of the conduct or treatment by the Bureau or any members of its Staff.

In consideration of the covenants and agreements of the Bureau above set out, and the mutual covenants hereinafter contained, the Employer covenants and agrees as follows:

1. To retain from the wages of its employees and pay to the Bureau on or before the 15th day of each month during the time this agreement shall remain in effect, the following sums:

a. Three and no/100 ($3.00) Dollars for each employee covered under this contract with the Employer employed at the place hereinbefore mentioned, who began his employment on or before the fifteenth day of the preceding calendar month, and who was employed four or more days in said month.

b. One and 50/100 ($1.50) Dollars for each employee who began his employment after the fifteenth day of the preceding calendar month and was employed four or more days in said month.

c. Ten Cents ($.10) per day for each employee who works three days or less in any calendar month.

2. The Employer shall not be required to pay to the Bureau the hospital fee for the current month for any person, who, upon entering the employment of the Employer, shall hold a certificate entitling him to medical, surgical and hospital accommodations. This exemption in the payment of hospital dues shall apply only to the month in which such employee begins his employment with the Employer. It is mutually agreed between the parties hereto that the Bureau shall not be required to furnish any of the services stipulated herein for any accidental injury received or for any sickness contracted during the period for which the Employer is exempted from paying hos-

pital fees, it being the intention that for such injury
11020 or sickness said employee shall apply for hospital and medical services to the association represented by the certificate he holds.

3. To permit the Bureau at all proper times to examine the payroll of the Employer for the purpose of auditing the same in connection with the fees agreed to be paid by the Employer.

IT IS MUTUALLY STIPULATED AND AGREED AS FOLLOWS:

1. *Emergency Care*:

In the event that a serious injury or illness is sustained by an employee entitled to these benefits, and the services of the Bureau or authorized Bureau physicians are not available, the Employer or the employee may call the nearest available doctor of medicine, licensed by the State Board of Medical Examiners, to render emergency services to such injured or ill employee until such time as the Bureau or an authorized Bureau physician can render said employee attention, and the expense of the emergency treatment will be defrayed by the Bureau. It shall be the duty of the employee to immediately notify the Bureau that he or she is in need of medical attention and is being attended by an emergency physician, and the failure to do so shall relieve the Bureau of all responsibility of any and all further care of said employee until such notice is given. Emergency treatment does not include surgical operations except when specifically authorized by the Bureau.

2. *Traveling Employees.*

Employees entitled to the benefits of this agreement, who may be injured or taken sick while away from the location of the Bureau's operations, but within the boundaries of the State of Oregon, shall be entitled to all medical care by staff physicians of Oregon Affiliated Bureaus and entitled to the same consideration as when within the jurisdiction of this Bureau. When outside the boundaries of the State of Oregon, employees shall be entitled to emergency medical service only by licensed doctors of medicine wherever available, said services to be paid for by the Bureau on the basis of the Bureau's regular rates for same in the State of Oregon. If the doctor, hospital, or druggist will not accept these rates in full payment for services rendered, any additional cost shall be a liability

of the employee. It shall be the duty of the injured or ill employee to notify the Bureau as soon as possible that he or she is in need of or is receiving medical care. Failure on the part of said employee to give such notice to the Bureau shall relieve the Bureau from all obliga-
11021 tions or liability in connection with any services other than emergency treatment. Emergency treatment does not include surgical operations and extended hospital care except when specifically authorized by the Bureau.

3. *Medical, Surgical, and Hospital Coverage*:

Medical, surgical and hospital services shall be provided in the following cases:

a. All accidental injuries received by an employee during the term of this coverage, excepting industrial accidents.

b. All acute sickness occurring at any time during the term of his coverage.

c. Chronic conditions that become acute will be treated for employees after they have been under the protection of the Bureau's Full Coverage Medical Service for a period of six full consecutive months, providing that such conditions did not originate prior to the time that such employees were first protected under the Bureau's Full Coverage Medical Service Contract. Credit will be given employees for time employed elsewhere under the protection of the Bureau's Full Coverage Medical Service Contract, when such employment is immediately preceding their employment under the protection of this contract.

d. Chronic conditions as used herein are those conditions of prolonged duration characterized by slowly progressing symptoms as distinguished from acute conditions which are defined as those ailments of recent origin coming speedily to a crisis. Chronic conditions as used herein shall include but not be limited to: heart ailments, gallstones, kidney stones, goiter, stomach ulcers, malignancy, male disorders, traumatic deviated septums, acute sinus conditions, hernia and diseased tonsils.

4. *Exceptions and Limitations*:

This agreement shall be subject to the following exceptions and limitations:

a. The benefits of this agreement do not apply to insanity, female disorders, pregnancy, childbirth, or any condition arising therefrom; venereal diseases, alcoholism, drug addiction, pyorrhea, deformities, congenital physical defects, attempts at suicide, tuberculosis (except for diagnosis), nor to any condition that is active or manifestly existing at the time of the employee's coming under this agreement except as otherwise provided herein, nor to injuries occurring to the employee prior to the date such employee comes under the terms of this agreement. The benefits likewise shall not apply to injuries resulting from acts of personal violence in which the injured employee was the aggressor, nor to injuries or illness sustained as a result of the use of intoxicating liquors, drugs, or narcotics, or where the use of intoxicating liquors, drugs, or narcotics was the primary cause of the sustaining of such injuries or illness.

b. The Bureau shall not be required to furnish hospital, nursing or ambulance services for diseases subject to quarantine, or for afflictions or diseases that become epidemic, but shall furnish doctor's services and necessary medicines.

c. All benefits herein provided for are limited to one year in any one case. Hospital care is limited to six months in any one case, and private rooms and special nurses services are limited to thirty days in any one case; such hospital services, private rooms or special nurses services shall not extend beyond the one year for which the Bureau is liable.

d. Injuries or diseases resulting from employment are not included in this agreement, it being understood that the medical, surgical and hospital care, etc., for such cases are under the supervision and control
11022 of the State Industrial Accident Commission, or other insurance carrier, or the Employer, and nothing herein shall be construed as affecting the care of such cases.

e. In the event an employee shall receive an injury or suffer an illness caused by the negligence or wrongful act of another person, the Bureau will procure for such employee the benefits of this contract provided that the employee or other person authorized to act on behalf of the employee, shall agree in writing to reimburse the Bureau for the cost of such benefits out of any funds, settlement, general or special damages, recovered from either the person whose negligence or wrongful act resulted in the employee's injury or illness, or from anyone responsible or answerable for such other person's wrongful or negligent acts.

5. *Arbitration*

Should the Bureau or its attending physicians at any time during the life of this contract determine that any employee is not entitled to any treatment herein stipulated, and shall determine that such employee is in the class eliminated or partially eliminated from benefits herein contemplated, then, in that event, the employee shall have the right to call in a competent and duly licensed practicing medical physician or surgeon to examine such person for the purpose of determining whether or not the physicians of the Bureau have correctly diagnosed the case as hereinbefore mentioned. If such consulting physician and the physicians of the Bureau shall be unable to agree, then, in that event, the Bureau and the employee shall select a competent skilled medical physician or surgeon, duly licensed under the laws of this State, as arbitrator to make examination and diagnosis of the case, and furnish his diagnosis to the parties hereto. When such diagnosis shall be furnished it shall be final, and if such diagnosis shall be contrary to the diagnosis of the physician or physicians of the Bureau the Bureau shall pay the arbitrator. If the diagnosis of the physician arbitrator shall substantially agree with the diagnosis given by the physician or physicians of the Bureau, then, in that event, the said employee shall be responsible for the fees of such consulting physician and arbitrator physician.

6. *Leaving Employment*:

In case any employee for whom the Employer has paid to the Bureau the hospital fees for any calendar month or payroll period, or has deducted such amount from the

wages due said employee in settlement of same, shall leave the employ of the Employer before said calendar month or payroll period shall have expired, he shall be
11023 entitled, notwithstanding such fact, to all the benefits provided by this agreement for injuries and diseases which the Bureau undertakes by this contract to take care of, which may occur to said employee during such period of time as such services are paid for. The benefits of this contract shall extend to any employee who, having been under the provisions hereof, ceases to be under such provisions by reason of illness, accident, vacation, or lay-off, and who shall pay to the Bureau at its office in advance the sum of $3.00 per month for a period not to exceed six months, for such period of time as he shall have made pre-payment for such benefits in accordance with the provisions of this paragraph.

7. *New Employee*:

Any person coming under the provisions of this contract as an employee and for whom payments were not made to the Bureau for any part of the thirty days immediately preceding his coming under the provisions hereof shall be termed a new employee.

8. *Rejection of Benefits*:

Any employee may exercise his option to reject the benefits hereunder in accordance with the existing laws of the State of Oregon upon notice in writing at the time of employment or at any annual renewal date of this contract, and upon any such notice being given by the Employee, the Employer shall be relieved from retaining any sums from the wages or salary of such employee. And the Employer shall furnish to the Bureau monthly the name or names of all employees rejecting the coverage of this contract. All retentions from the payroll by the Employer and payments to the Bureau shall be made in accordance with the provisions of the laws of the State of Oregon.

9. *Time Covered*:

This agreement shall remain in full force and effect from the ..... day of ..... 19...., to the ..... day of ..... 19...., or for such part of said time as the parties hereto shall have complied with the provisions hereof. And this agreement may be terminated or rescinded

by either party hereto by giving the other party thirty days' notice in writing.

10. *Renewal*:

In the event neither party hereto gives to the other not less than fifteen days prior to the expiration of this contract, a writen notice of its election that the contract shall terminate one year from the date hereof, the contract will continue in full force and effect for the succeeding calendar year and will thereafter continue in full force and effect from year to year unless at least fifteen days prior to the expiration of any contract year, one party shall give written notice to the other of its election to terminate the contract.

11024

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands this ..... day of ....., 19.....

KLAMATH MEDICAL SERVICE BUREAU

..... By (Signed) CHAS. RUGH
Employer President

By (Signed) PAUL W SHARP
Secretary

By ..... By (Signed) .....
Agent Manager.

(SEAL) (SEAL)

**Plaintiff's Exhibit 1157**

11025

# KLAMATH MEDICAL SERVICE BUREAU

CONFIDENTIAL MEDICAL FEE SCHEDULE

Rules, Regulations, and Contract Information

FOR MEMBER PHYSICIANS AND SURGEONS AND THEIR OFFICE ASSISTANTS

****

Take 10 minutes of your time to read the Rules applying to Member Physicians. Pages 8 to 12, inclusive.

****

(Emblem)

Business Office—355 East Main Street

Phone 7260

Klamath Falls, Oregon

Dr. R. W. Stearns, Pres. Dr. J. M. Hilton, Sec.-Treas.
Joe L. Hicks, Manager

(Back of Folder)

## MEMBER PHYSICIANS

****

This is your Bureau. It's success depends on your co-operation, your understanding of the Contract and Rules for Service.

11026 * * * * *

or ill employee until such time as the Bureau or an authorized physician can render said employee attention, and the expense of the emergency treatment will be defrayed by the Bureau. It shall be the duty of the employee to immediately notify the Bureau that he or she is in need of medical attention and is being attended by an emergency physician, and the failure to do so shall relieve the Bureau of all responsibility and of any and all further care of said employee until such notice is given. Emergency treatment does not include surgical operations except when specifically authorized by the Bureau.

3. Traveling Employees: Employees entitled to the benefits of this agreement, who may be injured or taken sick while away from the location of the Bureau's operations, but within the boundaries of the State of Oregon, shall be entitled to all medical care by staff physicians of Oregon Affiliated Bureaus and entitled to the same consideration as when within the jurisdiction of this Bureau. When outside the boundaries of the State of Oregon, employees shall be entitled to emergency medical service only by licensed doctors of medicine wherever available, said services to be paid for by the Bureau on the basis of the Bureau's regular rates for same in the State of Oregon. If the doctor, hospital, or druggist will not accept these rates in full payment for services rendered, any additional cost shall be a liability of the employee. It shall be the duty of the injured or ill employee to notify the Bureau as soon as possible that he or she is in need of or is receiving medical care. Failure on the part of said employee to give such notice with any services other than emergency treatment. It is understood that emergency treatment includes surgical operations and extended hospital care only when specifically authorized by the Bureau.

4. Specialists: Services of the Staff Specialists of this Bureau or other Oregon Affiliated Bureaus will be provided upon the recommendation of attending staff physician. Services of eye, ear, nose and throat specialists will be furnished when needed for the care of injury or disease of the eye, ear, nose and throat.

5. Dental Service: Upon the request of a Bureau Staff Physician dental service shall be provided to the extent of the extraction of abscessed teeth and the treatment of acute gum trouble for the purpose of immediate relief. Dental x-ray will be furnished only when authorized by the attending Staff Physician. Treatment of Pyorrhea is not included.

6. Medicines: All necessary medicines will be furnished including the filling of prescriptions written by Staff Physicians of the Bureau; medical and surgical supplies which may be used or requested by Staff Physicians of the Bureau in the treatment of said employees, with the exception of vitamins and liver extract, or any drugs used as a supplement to an inadequate diet.

# Plaintiff's Exhibit 1158

11027

7283

# SURGICAL, LIMITED MEDICAL AND HOSPITAL COVERAGE

## MEMBERSHIP IDENTIFICATION CARD

PRINCIPAL MEMBER OR CERTIFICATE HOLDER

| CERTIFICATE NUMBER | Month Effective | Day Date of Certificate | Year |
|---|---|---|---|
| | | | |

The insured persons listed hereon are entitled to Medical, Surgical, and Hospital services during such periods as dues are paid, subject to the provisions of the "Family Surgical, Limited Medical, and Hospital Service Plan".

La Brown

Manager.

FAMILY MEMBERS COVERED

### SUMMARY OF BENEFITS

Doctors' services for major and minor surgical procedures.
Doctors' services for sickness requiring hospitalization.
Doctors' services for fractures, dislocations and accidental injuries.
Hospitalization—21 days at full cost plus 90 days at one-half cost.
Allowance for medical and hospital bills in maternity cases.

### SUMMARY OF EXCLUSIONS

Pre-existing conditions.
Industrial accidents.
Venereal disease.
Dental services.
Mental disorders.

SEE REVERSE SIDE

**Special Coverage Certificate for employed individuals and/or families of employed individuals (as specified herein).**

WITNESSETH: That, subject to all terms and conditions hereinafter set forth, which are made a part of this certificate, Klamath Medical Service Bureau, sometimes hereinafter called K.M.S.B., an Oregon Corporation having offices situated at Klamath Falls, in the State of Oregon, and being licensed to conduct the business of an hospital association under the laws of the State of Oregon, hereby agrees to bear the expense of the hereinafter stipulated services to the following person or persons, specified hereinafter as "member" or "members":

ONLY SPECIFIED PERSONS ARE COVERED HEREUNDER

| Principal Member or Certificate Holder Covered by This Certificate | YES | NO |
|---|---|---|
| | | |

PRINCIPAL MEMBER OR CERTIFICATE HOLDER

| CERTIFICATE NUMBER | Month Effective | Day Date of Certificate | Year |
|---|---|---|---|
| | | | |

QUARTERLY DUES PAYMENT

| AMOUNT | | BEGINNING DATE | | |
|---|---|---|---|---|
| Dollars | Cents | Month | Day | Year |
| | | | | |

FAMILY MEMBERS COVERED

(Member Physicians of the Klamath Medical Service Bureau have agreed to accept K.M.S.B. Fees as full payment for Services for all eligible persons or employes actually employed and receiving wages or salary and/or family whose net family income is less than $5,000.00 per year. When the net family income of such person or employe is in excess of $5,000.00 per year, the member should make his own arrangements with the doctor, in advance if possible, regarding fees for service. Benefit payments made to the member by K.M.S.B. will act as a credit to total charges. BENEFITS ARE THE SAME FOR ALL PERSONS REGARDLESS OF INCOME. CLAIMS FOR SERVICES MUST BE MADE WITHIN NINETY (90) DAYS.)

KLAMATH MEDICAL SERVICE BUREAU

La Brown

Manager.

7284

**I. SURGICAL, LIMITED MEDICAL AND OBSTETRICAL CARE FOR MEMBER OR MEMBERS SHALL INCLUDE THE FOLLOWING SERVICES:**

(a) **Surgical service for major and minor operations** involving cutting or incision, performed in or out of a hospital, shall be provided for the treatment of coverable illness or injury.

(b) **Medical service for cases requiring hospitalization** shall be provided for the treatment of coverable illness or injury during the period of coverable hospitalization.

(c) **Treatment of fractures and dislocations,** including X-rays in fracture and dislocation cases, shall be furnished at a physician's office or at a hospital.

(d) **K.M.S.B. shall defray the cost of pre-natal, post-natal and obstetrical service** rendered by a K.M.S.B. staff physician up to a maximum of fifty ($50.00) dollars in any coverable case. Such payment is intended as an "allowance" in the event that the total cost of professional pre-natal, post-natal and obstetrical services should exceed the above stipulated amount in any such case.

(e) **The surgical and consultation services of cooperating specialists** will be provided for any coverable case only upon the recommendation of any attending K.M.S.B. staff physician and surgeon or by arrangement with K.M.S.B. Services of staff eye, ear, nose and throat specialists will be furnished when needed for coverable care of the eye, ear, nose or throat. K.M.S.B. shall bear no liability with reference to travel or non-hospital subsistence expense involved in any case requiring services by specialists.

**II. HOSPITAL CARE FOR MEMBER OR MEMBERS SHALL INCLUDE THE FOLLOWING SERVICES:**

(a) Care in a room of three or more beds.
(b) Meals and dietary services.
(c) General nursing care.
(d) Use of operating rooms.
(e) Delivery room service in maternity cases.
(f) Anesthesia.
(g) Surgical and anesthetic supplies.
(h) Routine splints, casts and dressings.
(i) Routine laboratory examinations in hospitalized cases.
(j) Diagnostic X-ray service for members confined in hospitals.
(k) Electrocardiograms and basal metabolism tests.
(l) Drugs and medications in hospitalized cases.
(m) Maternity care up to sixty dollars ($60.00).
(n) Hospital emergency room care for accidental injuries.

**III. SERVICE PREREQUISITES AND LIMITATIONS.**

(a) In cases which require hospital care all stipulated services shall be furnished to a member only when said member is a duly registered bed patient in an approved general hospital and is under the care of a K.M.S.B. staff physician, surgeon or consulting specialist. In coverable cases which do not require hospital care all stipulated services shall be furnished to a member only when said member is under the care of a K.M.S.B. staff physician, surgeon and consulting specialist.

(b) In any case requiring hospitalization hereunder it shall be the duty of the member to notify promptly the hospital and the attending K.M.S.B. staff physician that he is covered under this agreement, and failure to select an K.M.S.B. staff physician or to notify either the hospital or physician concerning membership in K.M.S.B. shall be deemed conclusively to be a waiver of all benefits hereunder.

In any coverable case which does not require hospitalization it shall be the duty of the member to notify promptly the attending K.M.S.B. staff physician that he is covered under this agreement, and failure to select a K.M.S.B. staff physician or to notify the attending physician concerning membership in K.M.S.B. shall be deemed conclusively to be a waiver of all benefits hereunder.

(c) The obligation of K.M.S.B. to provide any of the hereinabove listed services from physicians, surgeons or consulting specialists for any coverable case of surgery, fracture or dislocation shall be limited to a period not to exceed six (6) months immediately following the date of original diagnosis of any such case and this limitation shall apply to any one coverable condition arising from a separate and distinct cause and shall include any and all related complications of such condition. The rendering of medical services hereunder for any other type of coverable case shall be limited to coverable periods of hospitalization, excepting as otherwise provided herein for obstetrical care.

The obligation of K.M.S.B. to provide hospital care, as defined hereinabove, is limited to a period not to exceed twenty-one (21) days for each particular physical disability arising from a separate and distinct cause. Hospital care will be provided only while a member is necessarily confined to a hospital as a registered bed patient for the treatment of a coverable condition under the care of a K.M.S.B. staff physician. Hospitalization shall not be furnished hereunder for a rest cure or for the purpose of diagnosis only.

(d) In conditions necessitating hospitalization beyond twenty-one (21) days, K.M.S.B. will pay or reimburse the costs of hospital care as defined above in an amount not to exceed fifty (50) per cent of such costs for a maximum period of not to exceed ninety (90) days immediately following said twenty-one (21) day period.

(e) A member traveling or temporarily outside of the State of Oregon is entitled to reimbursement for the expenses of coverable hospital care obtained outside of the State of Oregon up to a maximum of six dollars ($.00) per day for a period not to exceed twenty-one (21) days in any coverable case. K.M.S.B. liability for emergency professional services coverable hereunder and obtained outside of the State of Oregon (other than hospital services) shall not exceed fifty dollars ($50.00) for any coverable case. Services hereunder are limited to the continent of North America.

In the event that coverable services stipulated hereunder should be obtained by a member of any Oregon hospital which may require payment therefor direct from the patient involved, then, and in that event, K.M.S.B. shall be responsible for reimbursement for such service costs up to a maximum of six ($6.00) dollars per day for a period not to exceed twenty-one (21) days for any coverable case.

(f) In addition to services specifically provided elsewhere herein, for certain cases, K.M.S.B. will defray the cost of hospital emergency room charges for the treatment of accidental injuries, provided the use of emergency room service occurs within twenty-four (24) hours following the time of accident.

(g) K.M.S.B. will defray the cost of pre-natal, post-natal and obstetrical professional service rendered by K.M.S.B. staff physicians, to the extent hereinafter specified in paragraph I (d), and will provide hospital care for childbirth to the extent stipulated in paragraph II (m), under the following conditions:

1. The member must be in a dues-paying two or more person family (including any member protected under another type of K.M.S.B. coverage) or must be a member protected under another type of K.M.S.B. coverage, and
2. The maximum liability for professional service to be provided by K.M.S.B. shall not exceed fifty dollars ($50.00 in cost in any twelve months' period, and
3. The maximum hospital service to be provided by K.M.S.B. shall not exceed sixty dollars ($60.00) in cost in any twelve months' period, and
4. The member requiring such services must have been a member in good standing for at least ten (10) consecutive months immediately preceding her need for such professional and/or hospital care.

(h) K.M.S.B. shall not be responsible or liable to any member if hospitalization is unavailable as a result of epidemic, public disaster or other causes or conditions beyond its control.

(i) The following services are expressly excluded and K.M.S.B. shall bear no liability concerning such services:

1. Services for injuries or diseases for which the member is entitled to receive disability benefits or compensation or care or rights of action under any Workmen's Compensation or Employers' Liability Law.
2. Extraction of teeth or other services incident to the treatment of diseases and injuries of the jaw and its dependent tissues which customarily are performed by dentists.
3. Services for preexisting conditions, conditions resulting from childbirth not coverable under this agreement, quarantinable diseases, tuberculosis, insanity, acute or chronic alcoholism, use of drugs or narcotics, venereal diseases, deformities, congenital physical defects, attempts at suicide and conditions resulting from criminal acts.

(j) The expressed written opinion of any K.M.S.B. staff physician attending any particular case shall be final with reference to the necessity for services stipulated hereunder for such case and also with reference to the status of such case regarding diagnosis, treatment or preexistence. However, K.M.S.B. reserves the right, at its option, to utilize the services of one or more specialists in the determination of the status of any case.

(k) Service rights or benefits stipulated hereunder are not transferable from any member to any other person.

(l) In the event that a member should desire to utilize hospital room service of a higher cost classification than that provided hereinabove, K.M.S.B. will bear the cost thereof up to the service level provided hereinabove.

11028

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(m) INJURIES RESULTING FROM WRONGFUL ACTIONS OF OTHER PARTIES: If a member is injured through the wrongful acts or negligence of another party for which that party or some other party is legally responsible, K.M.S.B. shall not be required to assume any obligation growing out of that injury; provided, however, that if the injured employe shall, in good faith, assert a claim against said third party or parties for his injuries and for the hospital and medical expense reasonably incurred, or to be incurred, and shall be unable to obtain a settlement or recovery therefor, then, in that event, K.M.S.B. shall assume such expenses on the members account to the same extent as if no third party liability existed, and K.M.S.B. shall have an equity in and be subrogated to the rights of the member against said third party or parties to the extent of any charges it has thus assumed or paid on the member's account. And if thereafter the responsible parties shall provide for the member's care or assume the expenses thereof, or if the members shall obtain any settlement or recovery whatever from such party or parties or shall release them from liability therefor, then, in that event, K.M.S.B. shall not be obligated to bear the expense of any additional services and the members shall reimburse K.M.S.B. for any monies it has assumed or paid on the member's account.

(n) In order to make it financially possible for K.M.S.B. to procure the services stipulated in this contract, the member, when requiring hospital care, surgical operations or medical services for any of the conditions covered by this contract, shall be entitled thereto only in Klamath Valley and Hillside Hospitals, and attended by K.M.S.B. staff physicians, surgeons and specialists, except as provided otherwise for emergency services.

(o) Professional services of K.M.S.B. staff physicians and surgeons and twenty-four (24) hours hospitalization within the general limitations stipulated herein will be furnished for the removal of tonsils and/or adenoids for any member provided such member has been covered continuously hereunder for at least twelve (12) consecutive months immediately preceding the need for such service.

IV. PAYMENTS OF ENROLLMENT FEES AND DUES FOR SUBSCRIBING MEMBER OR MEMBERS AND SUBSCRIPTION REQUIREMENTS. In consideration of the agreements hereinabove set forth, to be kept and performed by K.M.S.B., the certificate holder or principal member hereunder, agrees to pay to K.M.S.B. the enrollment fee stated below, and dues on an advance quarterly basis, with a grace period of ten days (10) at the start of each quarterly period, for the coverage of himself and/or participating family members, in accordance with the application card pertaining to this agreement and hereby made a part hereof, during the time this agreement shall remain in effect, as follows:

(a) Enrollment fee to include one dollar ($1.00) for the principal member, and/or 50c each for spouse and all children participating hereunder. The enrollment fee is payable only once for each continuous period of coverage.

(b) Dues of six dollars and seventy-five cents ($6.75) per quarter (three months) for the certificate holder, or principal member.

(c) Dues of six dollars ($6.00) per quarter for the spouse of the certificate holder.

(d) Dues of four dollars and five cents ($4.05) per quarter for the first child of the certificate holder.

(e) Dues of two dollars and twenty-five cents ($2.25) per quarter for the second child of the certificate holder.

(f) Dues of one dollar and fifty cents ($1.50) per quarter for the third and each additional child.

(g) Any certificate holder or spouse eligible for coverage hereunder may enroll up to the age of sixty-five (65) years.

(h) Any unmarried child of the certificate holder shall participate hereunder providing the age of such child is not less than six (6) months or more than eighteen (18) years. Upon reaching the age of nineteen (19) years, or upon becoming married at a younger age, any previously participating child may apply for continuance of coverage in accordance with the regulations established by K.M.S.B.

(i) Coverage hereunder, and payments of registration fee and dues therefor, shall apply only to the certificate holder and/or the immediate family of the certificate holder who subscribes for this service. Such immediate family shall include the spouse and unmarried children not less than six (6) months or more than eighteen (18) years of age. Only the certificate holder, and/or the entire immediate family as a unit, including all eligible members, shall be subject to coverage hereunder.

V. EFFECTIVE PERIOD AND TERMINATION PROVISIONS.

It is understood and agreed by and between the parties hereto that this agreement shall remain in full force and effect for one year beginning with the effective date stated in the application card pertaining hereto. In the event that payment shall not be received in accordance with Section IV hereof, K.M.S.B. shall have the right to cancel this agreement at any time by rendering notice in writing of such cancellation, to be effective at the end of the period for which dues previously have been paid.

In the interests of making this contract service as satisfactory as possible for subscribing members at all times and of insuring the continued stability of the coverage plan from the cost standpoint, it is further agreed that K.M.S.B. shall have the right to change or amend any of the benefits and/or rates of dues provided herein to be effective as of the first day of any month by rendering written notice to the certificate holder concerning such revisions at least forty-five (45) days prior to the effective date of such revision. However, in such an event the certificate holder shall have the privilege of terminating this agreement effective on the first of the month date of proposed change by sending written notice of such termination to K.M.S.B. at least fifteen (15) days prior to such date. K.M.S.B. reserves the right to readjust, refund or bill additional dues hereunder, if such may be necessary in making the stipulations of this section effective.

While by its terms this agreement expires at the end of one year from the effective date stated on the application card pertaining hereto, it is agreed that unless one party to this agreement gives to the other, at least fifteen (15) days before the expiration of said period, written notice of its election that the agreement shall terminate at the said time, it will continue in full force and effect for the succeeding year and thereafter will continue in full force and effect from year to year unless at least fifteen days prior to the expiration of any contract year one party shall give to the other written notice of its election so to terminate.

7286

# KLAMATH MEDICAL SERVICE BUREAU

## Surgical, Limited Medical and Hospital Service

## CERTIFICATE

## For Employed Individuals and/or families of employed individuals

This certificate provides specified coverage for: Major and minor operations; Medical service for Hospitalized sickness; Fractures and dislocations; Pre-Natal, obstetrical and post-Natal care; Services of specialists; Emergency services outside of Oregon; Comprehensive hospital services.

Klamath Medical Service Bureau

405 Pine Street, Klamath Falls, Oregon
L. A. BROWN, Manager
Phone 7757

APPROVED BY THE
OREGON STATE MEDICAL SOCIETY
AND
KLAMATH COUNTY MEDICAL SOCIETY

**You Should Read Your Agreement**

The summary on the reverse side is not a contract, nor does it include all the provisions of the Service Certificate. Each member's benefits are expressly subject to all additional provisions of the Service Certificate under which membership was acquired, and to K.M.S.B. rules and regulations governing the rendering of medical and hospital services.

**KLAMATH MEDICAL SERVICE BUREAU**
**405 Pine Street** **Klamath Falls, Oregon**

**PRESENT THIS CARD TO THE DOCTOR ON YOUR FIRST VISIT, AND TO THE HOSPITAL UPON ADMITTANCE**

In each instance the doctor or hospital will notify K.M.S.B. that medical or hospital service is being rendered. K.M.S.B. will verify the subscriber's status and his eligibility for service and acknowledge responsibility to the doctor and/or hospital.

The presentation of an identification card does not necessarily guarantee acceptance of liability by K.M.S.B.; nor can the doctor or hospital obligate the Service Plan. This can be done only by the K.M.S.B. office.

The Service Plan cannot honor, except in emergencies, medical or hospital bills resulting from treatment by doctors other than K.M.S.B. staff physicians and surgeons. Be sure the doctor you select is on the K.M.S.B. list of cooperating physicians and surgeons. Lists are available at K.M.S.B. office.

**Plaintiff's Exhibit 1163**

11029 January 28, 1944

U. S. Department of Labor
Children's Bureau
Washington, D. C., 25

Attention: Harry J. Becker

Gentlemen:

The Klamath Medical Service Bureau is a medical society sponsered corporation set up for the sole purpose of furnishing prepaid medical and relative services to employee groups and their families.

The corporation structure of our Bureau is as follows. Under the hospital association laws of Oregon a corporation is permitted to practice medicine. Unquestionably you have copies of these laws so I will not go into that in detail. Although our organization is set up with the intention of never earning a profit, we are still, by virtue of the law, classed as a profit corporation.

We sold $100.00 shares of common stock to each doctor who cared to be a member of the Bureau. This common stock carries a voting trust agreement and cannot be sold except back to the Bureau, nor can any member physician hold more than one share of this stock. The reasons for this are apparent as it is the intention of the Klamath Medical Service Bureau to always keep the control of the Bureau in the hands of all the medical doctors in the county and not in the hands of a few. Any doctor that can qualify to be a member of the county society is permitted to be a cooperative physician of the Bureau and can purchase the $100.00 share of common stock if he wishes. At the present time all of the doctors in Klamath County, with the exception of one, are members of the Bureau. Their active participation in serving Bureau subscribers varies almost in the same degree as their services to this type of subscriber would vary under normal circumstances and without any contract service.

The member physicians of the Bureau participate in the moneys of the Bureau only in proportion to the services they render to the subscribers. In as much as the subscribers have free choice of physician and the doctors are paid only for services rendered on a fee schedule basis, it keeps the relation between the subscriber and the doctor

the same as it would be in private practice. In the distribution of our funds for services rendered we use a low fee schedule as a basis for payment and distribute the additional fees at the end of six month periods. This method permits the monthly payment of the member physician's bills as presented on the lowest fee schedule basis, with the additional fee coming only twice yearly.

11030 Our Bureau is controled and governed by a board of directors of five member physicians. These directors are elected for three year terms at the annual stockholder's meetings, two new directors being elected the first and second years and one new director being elected the third. These directors meet once a month to discuss policies with the writer, who is their appointed manager of the Bureau. Also at the annual stockholder's meeting the members of the following committees are elected: five man diagnosis committee, three man fracture committee, and three man grievance committee. It is the duty of the diagnosis committee to give authorizations for surgery, hospitalization, expensive x-ray services, etc. This committee serves without pay and have done a wonderful job for the Bureau. Our member physicians have come to appreciate the services of this committee and in so appreciating it have caused the subscribers to also understand its need and service to them.

—Our plan serves all the employees in the Klamath Basin area which takes in all of Klamath County and a little of the area in the basin in the northern part of California. Our plan serves approximately 6,000 employees in this Basin which represent practically all of the employee groups with over 10 employees (which is our minimum group). The distribution of our funds is approximately as follows: 62% to member physicians and surgeons, 12% for hospital services, 15% for ambulance, 5% for prescription drugs, 2% for first aid supplies, and 3% for miscellaneous and outside medical service including ambulance and special nurses.

Our rate for the full coverage medical aid contract for the employee is $2.00 per month, and enclosed you will find a pamphlet giving the services rendered for this $2.00 to the employee. Insomuch as our family coverage contract is concerned, it has not been in effect long enough to give statistics and other information you may wish.

Hoping this information will be of some assistance to you, we remain,

Very truly yours,

Klamath Medical Service Bureau

JLH:mm
Enclosure

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11031 U. S. DEPARTMENT OF LABOR
CHILDREN'S BUREAU
WASHINGTON (25)

December 17, 1943

Secretary,
Klamath Medical Service Bureau,
355 East Main Street,
Klamath Falls, Oregon.

Dear Sir:

We should like to obtain specific information on various group hospital and medical service plans in the United States. These data are necessary in order that we may keep our staff informed on the various plans for medical care. Your assistance in providing us with any readily available material on your plan and any related material on your experience will be very helpful.

Particularly, we should like information on:

1. Benefits available to subscribers
2. Plan for administration
3. Subscription or membership rates
4. Agreements with physicians or medical care agencies
5. How payment is made for services
6. Copies of forms used
7. Plan for use of medical advisory board or committee
8. Geographical areas served by the plan
9. Methods of reviewing services rendered
10. Financial and statistical data relating to membership

We should like to have, if available in a form which can be given us, any special studies or information on costs of

preventive services for children and care of acute and chronic children's cases, and the number of adults and children which you have found a physician is able to serve adequately. We shall also appreciate receiving data on the incidence of reported illnesses and hospitalization of children's cases as well as similar information on maternity cases.

Although we realize that much of this material has not been prepared for distribution, we should like such information as you can send us at this time without preparing special reports. We shall be glad to have you place us on your mailing list for reports which may be prepared at a later date.

Very sincerely,

(Signed) HARRY J. BECKER
Harry J. Becker, Consultant
Medical Care Administration

**Plaintiff's Exhibit 1165**

11032

OREGON STATE MEDICAL SOCIETY
Bureau of Medical Economics
MEDICAL-DENTAL BUILDING
PORTLAND, OREGON

March 27, 1942

AFFILATED MEDICAL
SERVICE BUREAUS

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COQUILLE . . .
COQUILLE MEDICAL SERVICE BUREAU

EUGENE . . .
EUGENE HOSPITAL AND CLINIC
PACIFIC HOSPITAL ASSOCIATION

KLAMATH FALLS . . .
KLAMATH MEDICAL SERVICE BUREAU

LAKEVIEW . . .
LAKEVIEW HOSPITAL, INC.

MARSHFIELD . . .
COOS BAY HOSPITAL ASSOCIATION

AFFILIATED MEDICAL
SERVICE BUREAUS

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MEDFORD . . .
SOUTHERN OREGON MEDICAL
SERVICE ASSOCIATION

MYRTLE POINT . . .
MAST HOSPITAL ASSOCIATION

OREGON CITY
PHYSICIANS ASSOCIATION OF
CLACKAMAS COUNTY

PORTLAND . . .
MULTNOMAH MEDICAL SERVICE BUREAU

SALEM . . .
PHYSICIANS AND SURGEONS
HOSPITAL ASSOCIATION

Mr. J. L. Hicks, Manager
Klamath Medical Service Bureau
355 East Main Street
Klamath Falls, Oregon

Dear Joe:

Do you think it will be possible to call a meeting of the Managers of the Approved Medical Service Bureaus for some week-end or date that is acceptable to you between now and the middle of April? There are a number of things to discuss that should be of prime interest to all of us.

The Oregon Physicians Service has been qualified by the State Insurance Commissioner, and is inaugurating a program for the care of Farm Security borrowers in southwestern Idaho and eastern Oregon. This, and the policy and program of the Oregon Physicians Service should be determined at our meeting of managers.

The defense industries in some areas will need discussion, and a program will need to be worked out whereby the approved bureaus will be in a position to obtain medical coverages on these projects.

At the meeting of Executives of Prepaid Medical Service Plans at the American Medical Association in Chicago last month, a number of problems were discussed that should be of interest to all of us. From discussions at that meeting, it is quite evident that family coverages are not far away.

If you feel it is advisable, I think the meeting should be held in Portland. If this meets with your approval, please let me know, and I will make the necessary arrangements, and help you in any way to arrange your program, or with any correspondence you wish to have sent out.

With kind personal regards, I am

Sincerely,

BUREAU OF MEDICAL ECONOMICS
OREGON STATE MEDICAL SOCIETY

By (Signed) JOHN R. CAUGHELL

JRC:SW

**Plaintiff's Exhibit 1183**

11035 FULL COVERAGE MEDICAL CONTRACT

(Sickness and Non-Occupational Accidents)

THIS AGREEMENT, made and entered into this.....day of March, 1941, by and between the PHYSICIANS AND SURGEONS HOSPITAL ASSOCIATION, an Oregon corporation with its principal offices located at Salem, Oregon, licensed to conduct the business of an hospital association under the laws of the State of Oregon, hereinafter called the Association, and the State Employes Beneficial Society, consisting of the subscribing employes of the several State of Oregon Commissions, Departments, Institutions or other Agencies, acting for and on behalf of its members, hereafter referred to as the Beneficial Society.

WHEREAS: Members of the Beneficial Society have expressed a desire to benefit by the protection of the Association under the Group Full Coverage Plan of the Association, which is understood to be entirely separate from the benefits of occupational accident coverage.

NOW, THEREFORE, the conditions being in part as stated, the parties hereto hereby mutually agree as follows, to-wit:

TO WHOM AGREEMENT APPLIES: It is mutually understood between the Beneficial Society and the Association that this agreement is entered into by the Beneficial Society for the benefit of its members, engaged as employes in the several State of Oregon Commissions, Departments, Institutions or other Agencies, who shall by written request elect to be included hereunder. The Beneficial Society shall not be required to arrange payment of the stipulated dues to the Association for any employes of the State of Oregon who shall not have made such election to subscribe and the Association shall not be required to provide any services to any employes who shall not have made such election.

The Beneficial Society shall appoint an Executive Committee from among its membership, to be composed of the Society's officers and other duly appointed members. Said Executive Committee shall be empowered to act on behalf of the Beneficial Society with regard to the following matters: Authority to execute or terminate this contract; control of eligibility of any State of Oregon departmental group of employes for membership under this agreement;

supervision over all individual membership applications; authority to reject any individual application; power to terminate any individual membership effective April 1 to September 1 of any contract year; authority to perform all other necessary functions pertaining to this contract in cooperation with the Association. The Beneficial Society shall require each State of Oregon departmental group, members of which are covered under this contract, to maintain a departmental organization in accordance with regulations established by the Executive Committee. Such departmental organization shall function with regard to membership applications, deduction or collection of dues and other matters pertaining to the coverage of departmental members under this contract.

It is further agreed that any employe of the State of Oregon who has been a subscriber to the Association's Full coverage Service during the month of March, 1941 shall be automatically eligible to cover hereunder.

Any employe of the State of Oregon who has not previously subscribed to the Association's Full Coverage Service may make application for coverage under this agreement providing said employe shall not have attained the age of sixty (60) years prior to the effective date of proposed coverage. If such new applicant shall be less than fifty-two (52) years of age on the effective date of proposed coverage, then he shall be entitled to coverage according to the terms of this agreement, without a physical examination. If such new applicant shall be more than fifty-one (51) but less than sixty (60) years of age on the effective date of proposed coverage, then he shall deposit with the Beneficial Society, the sum of Five Dollars ($5.00) at the time of filing his application. Upon notice of
11036 the deposit of said sum the Association immediately will furnish a physical examination to the applicant for the purpose of determining whether or not said applicant shall be eligible to coverage under this agreement. If said applicant shall be accepted for coverage, then said deposit shall be returned to the applicant by the Beneficial Society immediately upon receipt of notice of acceptance. If said applicant shall be rejected from coverage, then said deposit shall be paid over to the Association by the Beneficial Society as consideration for the physical examination furnished; provided, however, in such an event the Association shall furnish a report stating reasons for rejection, upon request of the Beneficial Society.

Any person who initially subscribes to this coverage on or after April 1, 1941 and who later attains the age of sixty-five (65) years shall be exempted from coverage on the thirty-first day of December, of the year during which the age of sixty-five (65) years shall be attained. Coverage under this agreement shall be available to any eligible person who receives an annual income from the employer involved of six thousand ($6,000) Dollars or less.

General Coverage Of Agreement: It is agreed that the Association, for and in consideration of the sum or sums of money paid to it by arrangement of the Beneficial Society, within the time or times and in the manner hereinafter mentioned, hereby agrees to make available to each member covered under this contract with the Beneficial Society, from time to time during the life of this contract, as occasion demands, and bear the expense thereof, medical and surgical services, hospital accommodations, ambulance service, dental and other benefits as follows:

1. *Medical and Surgical Service*: The Association will bear the expense of necessary medical and surgical treatment, except as hereinafter set forth, required by such members for sickness or non-occupational injuries, when furnished by physicians and surgeons of the staff of the Association who may be called only when the illness or injury of the subscriber is of too serious a nature to permit him to call at the physician's or surgeon's office. It is particularly agreed and understood that each and every member covered by this contract shall be entitled to unrestricted choice of available physicians from the Association's list of member physicians in the treatment of any illness or injury, excepting that the Association shall retain the right to direct the medical or surgical procedure in every case when, in the opinion of the Association, such direction is required for the welfare of the patient. These provisions are intended to apply, excepting in emergency cases, to all cases occurring within the territory customarily served by the Association's operations.

2. *Emergency Care*: In the event that a serious injury or illness is sustained by a member entitled to these benefits within the territory customarily covered by the Association's operations and the services of the Association or authorized physicians are not available the Beneficial Society or the member may call the nearest available doctor of

medicine, licensed by the State Board of Medical Examiners, to render emergency services to such injured or ill member until such time as the Association or an authorized physician can render said member attention, and the expense of the emergency treatment will be defrayed by the Association at the Association's regular rates for such service. It shall be the duty of the Beneficial Society or the member to notify the Association within a reasonable period that said injured or ill member is in need of medical attention and is being attended by an emergency physician, and the failure so to do shall relieve the Association of all further responsibility and care of said member.

3. *Traveling Members*: Any member who is entitled to the benefits of this agreement and may be injured or take sick while away from the location of the Association's operations shall be entitled to the services of a licensed doctor of medicine and/or hospital accommodations when required in the nearest city or town where the same may be available, said services to be paid for by the Association on the basis of the Association's regular rates for such services. It shall be the duty of the injured or ill member, or other involved party, to notify the Association as soon as possible that the member is in need of or is receiving medical and/or hospital care. Failure on the part of said member, or other involved party, to give such notice to the Associa-
11037 tion, shall relieve the Association from all further liability in connection with services other than emergency treatment. It is understood that emergency treatment includes surgical operations and extended hospital care only when the Association is notified within a reasonable period. It is specifically agreed that the coverage of this contract shall be limited to the forty-eight states of the United States and the District of Columbia.

4. *Specialists*: Services of the Association's staff specialists will be provided upon the recommendations of any attending staff physician and surgeon, or by special arrangement with the Association. Services of eye, ear, nose and throat specialists will be furnished when needed for the care of injury or disease of the eye, ear, nose or throat.

5. *Dental Service*: Dental service shall be provided by Association dentists to the extent of the extraction of teeth and treatment of acute gum trouble for the purpose of immediate relief. Extractions are limited to not more than

four teeth in any one case excepting upon request of a staff physician. Treatment for Vincent's Angina or trench mouth will be furnished as well as dental x-rays when ordered by the attending physician.

6. *Medicines and Supplies*: The Association will furnish all necessary medicines, medical and surgical supplies which may be used or prescribed by the physicians or surgeons of the Association in the treatment of said members while they are receiving necessary care in hospitals. Prescription medicines, biological serums and vaccines will be furnished for the treatment and/or prevention of virulent diseases specifically including pneumonia, typhoid fever, smallpox, tetanus, meningitis, scarlet fever, infantile paralysis, undulant fever, rabies, malaria fever, amoebic dysentery and other ailments of a similar classification, regardless of whether such cases shall occur in the home, in hospitals or elsewhere. Insulin will be furnished for the treatment of diabetes and extracts for pernicious anemia cases. Allergy tests will be furnished when required.

7. *First Aid Supplies*: First aid chests will be provided and delivered to the Beneficial Society, to be maintained during the life of this contract at such places as may be indicated by the Beneficial Society, which chests shall contain the usual first-aid supplies as approved by the physicians of this Association. Such chests, and the unused contents thereof are to be returned to the Association at the termination of this contract. The Association shall not be required to furnish first aid supplies for occupational accidents.

8. *Hospital and/or Sanitarium Service*: The Association will bear the expense of hospital and/or sanitarium service and accommodations when required for the treatment of such members in approved general hospitals and/or sanitariums, as may be arranged for by the Association, excepting that the provisions of paragraphs (2) and (3) shall apply in cases occurring outside the territory customarily covered by the Association's operations. Such services shall include ward accommodations, board, staff nurse, use of surgery, x-rays, medicines and supplies, laboratory service, and medical and surgical attendance.

Private rooms will be provided in those cases of a serious nature which in the judgment of the attending physicians require quiet surroundings and special care. Should any

such injured or ill member not require special services but nevertheless desire a private room, the Association agrees to pay such proportion of the cost of such room as the Association would be required to pay for ward service during the same period of time.

9. *Ambulance Service*: The Association shall provide the necessary ambulance service or other appropriate transportation for conveying the seriously sick and injured to hospitals in the event that ordinary available transportation shall not be suitable.

10. *Special Nurses*: Services of a special nurse or special nurses shall be provided when in the judgment of the attending physician or surgeon a special nurse, or special nurses may be required.

* * * * *

11038 will be entitled to this service, with the same limitations, after they have been under the protection of the Association's Full Coverage Medical Service for six months.

e. Tuberculosis shall be treated for present members, providing such condition was not active prior to the time the affected members were first protected under the Association's Full Coverage Service. Future members will be entitled to this service only when the condition does not become active within six months after they have been under the protection of the Association's Full Coverage Medical Service.

f. Cancer will be treated for present members, including radium treatment, providing such condition was not present prior to the time the affected members were first protected under the Association's Full Coverage Service. Future members will be entitled to this service only when the condition does not develop within six months after they have been under the protection of the Association's Full Coverage Medical Service.

g. "Chronic Conditions" as used herein are those conditions of prolonged duration characterized by slowly progressing symptoms as differentiated from "acute conditions" which are defined as those ailments of recent origin coming speedily to a crisis.

18. *Exemptions and Limitations:*

a. The benefits of this agreement do not apply to insanity, pregnancy or childbirth or their results, venereal diseases, alcoholism, drug addiction, pyorrhea, deformities, congenital physical defects or conditions, attempts at suicide, nor to any condition that is active or manifestly existing at the time a member first is protected under this agreement, subject, however, to the provisions of section (17) of this agreement, nor to injuries occurring to the member prior to the date such member comes under the terms of this agreement. The benefits likewise shall not apply to injuries resulting from acts of personal violence in which the injured member was the aggressor, nor to injuries or illness sustained as a result of the use of intoxicating liquors, drugs or narcotics by the injured or ill member and where the use of such intoxicating liquors, drugs or narcotics was the primary cause of the sustaining of such injuries or illness.

b. The Association shall not be required to furnish hospital services for diseases subject to quarantine, or for afflictions or diseases that become epidemic, but shall furnish physician's services.

c. All benefits herein provided for are limited to one year from the date of onset of any case. Hospital and/or sanitarium care is limited to six months and private rooms are limited to thirty days in any one case. It is understood that the period of thirty days provided herein for private rooms shall be considered as a part of the total hospital and/or sanitarium care of six months as provided for herein. Special nursing care is limited to thirty days' service in any one case. However, in the event that this contract should be terminated at any time, it is specifically agreed that the Association shall not be required to furnish, in cases which have not been completed prior to the contract termination date, any of the services stipulated in this agreement for more than thirty days after the date of such termination; provided further, that the Association shall have no liability hereunder with regard to any case not reported and under treatment prior to the date of termination of this contract.

d. Medical service will be provided for necessary allergy treatments but the materials involved will not

be furnished. The cost of blood for transfusions will be borne by the Association only when such blood is furnished by professional blood donors.

11039 e. Injuries resulting from employment are not included in this agreement, it being understood that the medical, surgical and hospital care, etc., for such cases are under the supervision and control of the State Industrial Accident Commission, other insurance carrier or the Employer and nothing herein shall be construed as affecting the care of such cases.

f. If any member is injured by the acts or omissions of another person for which that person or some other party is legally responsible, the Association shall be released from assuming the cost of the benefits to which the member would otherwise be entitled; providing that, if the responsible party fails or refuses to assume the costs of services and care required by the injured member, the Association shall assume such costs the same as if no third party responsibility existed and in which exent it shall be subrogated to all the rights of the member against such third parson or party to the extent of any costs it has assumed or paid on the member's account, and if the member makes settlement with or releases such third person or party or waives his right of action, in whole or in part, without the written consent of the Association, then and in that event all obligations of the Association on account of such injury shall be cancelled and the member shall reimburse the Association for any costs it has assumed or paid on such member's account. The acceptance by the member of any benefits of this agreement on account of such injury shall constitute the member's assent to such subrogation and the Association may enforce the member's rights against such third person or party in the name of the member to the extent of any expense it has assumed on account of such injury.

g. To make it financially possible for the Association to furnish all the services stipulated herein, it is agreed between the parties hereto that members requiring hospital care, surgical operations, or medical services for any of the conditions named herein, shall be entitled to the same only in hospitals appointed by the Association for rendering such services, and by

physicians, surgeons and specialists listed on the staff of the Association for this purpose; provided, however, that nothing herein stated shall prevent any member from obtaining reasonable emergency care at the Association's expense as stipulated elsewhere in this agreement. The services of any non-staff functionary, excepting for emergency cases, will be provided only by advance arrangement with the Association.

h. Nothing herein contained specifically mentioning any disease, ailment or physical condition shall be construed as limiting the treatment to be provided by the Association as to any other disease, ailment, or physicial condition not specifically mentioned; it being understood that the limitations as to the disease, ailment or physical condition specifically mentioned are intended to and shall limit the liability of the Association in regard to such disease, ailment or physical condition only.

19. Should the Association or its attending physicians at any time during the life of this contract determine that any member of the Beneficial Society is not entitled to the treatment or any treatment herein stipulated, and shall determine that such member is in the class eliminated or partially eliminated from benefits herein contemplated, then, in that event, the Beneficial Society or the member shall have the right to call in a competent and duly licensed practicing medical physician or surgeon, to examine such member for the purpose of determining whether or not the physicians of the Association have correctly diagnosed the case as hereinbefore mentioned. If such consulting physician and the physicians of the Association shall be unable to agree, then in that event, the Association and the Beneficial Society shall select a competent skilled medical physician or surgeon, duly licensed under the laws of this State, as arbitrator to make examination and diagnosis of the case, and furnish his diagnosis to the parties hereto.

When such diagnosis shall be furnished, the same
11040 shall be final and if such diagnosis shall be contrary to the diagnosis of the physicians or physicians of the Association, the Association shall pay the fee of the consulting physicians and also a reasonable fee of the physician arbitrator. If the diagnosis of the physician arbitrator shall substantially agree with the diagnosis given by the physician or physicians of the Association, then, in that event, the said member shall be responsible for the fees of such consulting physician and arbitrator physician.

20. In the event a member for any reason shall temporarily leave his employment, such member shall have the right to remain under the benefits of this agreement by paying to the Association, monthly in advance for the period of such temporary unemployment, the currently prevailing monthly rate of dues stipulated under this contract at such time, and such member shall be entitled to the full benefits of this agreement the same as if he had been employed; providing that where a member is away from his employment longer than three months the Association may, in its discretion, terminate such member's membership hereunder, but in such an event the member shall be privileged to make application for a personal membership.

Where a member is away from his employment because of sickness or injury he shall not be required to continue payments under this agreement in order to receive benefits to which he is entitled on account of that sickness or injury, but such member shall not be entitled to benefits for any sickness or injury that occurs after the period for which his last payment hereunder applied unless he shall have continued his payments as provided herein for members temporarily away from employment.

Members taken sick or injured while under the coverage of this agreement, and who leave their employment or are otherwise away from their employment, shall be entitled to the benefits of this agreement for that condition to the extent provided for herein the same as if they had remained employed; providing that they shall have applied to the Association and shall have been under the care of a doctor designated by the Association for such sickness or injury within thirty days preceding the termination of their employment.

Members who leave their employment may apply to the Association to remain under its benefits, subject to the rules, rates and regulations established by the Association.

21. In consideration of the agreements hereinbefore set forth, to be kept and performed by the Association, the Beneficial Society agrees to obtain monthly retentions from the wages of each subscriber, or to collect monthly from each subscriber, and to cause same to be paid over to the Association as promptly as normal auditing or collection procedure will permit, as follows:

a. Two Dollars ($2.00) per calendar month for each member covered under this contract, for the period from April 1, 1941 to September 30, 1941, inclusive.

b. Immediately after July 31, 1941, as soon as accounting procedure will permit but not later than September 1, 1941, the Association will provide a statement of receipts and disbursements, including administrative costs and proper reserves for unexpired cases, applying to this contract for the period of April 1, 1941, to July 31, 1941, inclusive. Such statement shall be made available for review by the Executive Committee of the Beneficial Society and by the Association. If the receipts during said period shall exceed by more than ten per cent the disbursements applicable to the said period, then the rate of monthly dues payable under this contract for the ensuing period of October 1, 1941 to March 31, 1942 inclusive, shall be reduced in direct proportion to the relative experience costs of the preceding period mentioned. If the disbursements during said period of April 1, 1941 to July 31, 1941, inclusive, shall exceed by more than ten percent the receipts applicable to the same period, then the rate of monthly dues payable under this contract
11041 for the ensuing period of October 1, 1941 to March 31, 1942, inclusive, shall be increased in direct proportion of the relative experience costs of the preceding period mentioned. If neither the receipts nor the disbursements should exceed the other by more than ten percent, during the period of April 1, 1941 to July 31, 1941, inclusive, then the rate of dues shall remain unchanged during the ensuing period of October 1, 1941 to March 31, 1942, inclusive. The aforementioned statement of receipts and disbursements shall include notice of any rate revision indicated thereby as applicable to the period of October 1, 1941 to March 31, 1942, inclusive.

c. Effective on and after April 1, 1942 the rates payable under this contract shall be subject to adjustment on April 1 and October 1 of each year during which this contract is effective, in the same manner as provided for in the preceding paragraph.

d. In the event that this contract is terminated at any time the payment of dues applying to the last month prior to termination shall be deferred pending

the completion of a statement of receipts and disbursements, including administrative costs and reserves for unexpired cases, for the period starting on the date of the last rate readjustment and ending thirty days after the date of termination. If the disbursements, including administrative costs and reserves for unexpired cases, during such period shall exceed by more than ten percent the receipts applicable to the same period, then the rate of dues payable for the last month prior to termination shall be increased to an amount sufficient to exactly reimburse the Association for the loss incurred during the said period, and such adjusted dues shall be payable immediately upon filing of notice by the Association with the Beneficial Society. If the receipts during such period shall exceed by more than ten percent the disbursements applicable to the same period, then the rate of dues payable for the last month prior to termination shall be reduced such that receipts and disbursements shall be in exact balance for said period, and such adjusted dues shall be payable immediately upon filing of notice by the Association with the Beneficial Society.

e. Members of the Beneficial Society shall have the right to apply for subscription hereunder at the time of entering their employment, or at any time during their employment. The acceptance of any such application shall be optional with the Association. The Association may, in its discretion and at its expense, require a physical examination of any or all members applying for membership hereunder after the date hereof; providing, further, that any such applications so accepted shall become effective on the first day of the next succeeding calendar month.

f. Any member who has elected to membership hereunder shall have the right of withdrawing from such membership on April first or October first of any calendar year by notifying the Beneficial Society, in writing, to be transmitted to the Association, of his intention so to do on or before the fifteenth day of the preceding month. Any member who has exercised such right of withdrawal may elect to be reinstated as a member hereunder, but the Association reserves the right to require a physical examination of such

member at the member's expense, conditional to such reinstatement.

g. The Association will furnish at its expense copies of this contract and supplies of application and other forms as may be needed in the execution of this agreement. The Beneficial Society will provide information regarding membership and other pertinent matters which may be needed by the Association from time to time in the proper execution of this contract.

h. The Beneficial Society shall not be required to arrange payment to the Association of the hospital fee for the current month for any person who upon entering membership in the Beneficial Society, shall hold a certificate entitling him to medical, surgical and hospital accommodations in any hospital association in Oregon or Washington. This exemption in the
11042 payment of hospital dues shall apply only to the month in which such member begins his employment. It is mutually agreed between the parties hereto that the Association shall not be required to furnish any of the services stipulated herein for any accidental injury received outside of employment or for any sickness contracted during the period for which the Beneficial Society is exempted from paying hospital fees, it being the intention that for such injury or sickness said member shall apply for hospital and medical services to the hospital association represented by the hospital certificate he holds.

i. It is further understood and agreed by and between the parties hereto, that in case any member for whom the Beneficial Society has arranged payment to the Association of the hospital fees for any calendar month or payroll period, or has caused such amount to be deducted from the wages due said member in settlement of same, shall leave the Beneficial Society before said calendar month or payroll period shall have expired, he shall be entitled, notwithstanding such fact, to all the benefits provided by this agreement for injuries and diseases which the Association undertakes by this contract to take care of, which may occur to said member during such period of time as such services are paid for.

j. The Beneficial Society agrees and promises that the Association may, at proper times, examine the

election records of the Beneficial Society for the purpose of auditing the same in connection with the fees payable under this contract.

22. It is understood and agreed by and between the parties hereto that this agreement shall remain in full force and effect from the first day of April, 1941, to the thirty-first day of December, 1941, or for such part of said period as the parties hereto shall perform the duties herein provided for, and that this agreement can be terminated or rescinded at any time by either party by rendering fifteen days' notice in writing to the opposite party.

While by its terms this agreement expires on the thirty first day of December, 1941, it is agreed that unless one party to this agreement gives to the other, at least fifteen days before the expiration of the said period, written notice of its election that the agreement shall terminate at the said time, it will continue in full force and effect for the succeeding calendar year and thereafter will continue in full force and effect from year to year unless at least fifteen days prior to the expiration of any calendar year one party shall give to the other written notice of its election so to terminate.

IN WITNESS WHEREOF, the parties hereto have caused these presents to be executed, in triplicate, by their respective officers, pursuant to authority heretofore granted, as of the date first hereinabove written.

STATE EMPLOYES BENEFICIAL SOCIETY

By _____ Pres.

By _____ Secy.

ATTEST:

_____

PHYSICIANS AND SURGEONS HOSPITAL ASSN.

By _____

Secretary or Vice-President

By _____

Secretary or Asst-Secretary

ATTEST:

_____

**Plaintiff's Exhibit 1193**

11047 April 26, 1946

Loveness Logging Company
Canby, California

Gentlemen:

Dr. Paul McKinney of Alturas has called this writer and stated that you were interested in obtaining a contract with Klamath Medical Service Bureau for the full-coverage medical service program offered by us for employee groups. Enclosed you will find two copies of our contractual agreement. The coverage offered the employees under this contract is approximately the same as that offered by Dr. Paul McKinney for your employees at Canby. However, under our agreement the charge is only two dollars per month and I believe at the present time you are paying $2.50 for approximately the same service for employees there. If this rate differential is properly understood by yourselves and by the employees at Canby I feel certain that it will not cause any undue trouble.

We of the Klamath Medical Service Bureau realize that Dr. Paul McKinney is doing a swell job in pre-paid medicine in the Alturas area, and certainly we do not want to in any way upset his program. It is vitally necessary that he charge a higher rate than we do in Klamath Falls largely because he does not have the spread of risk that we do. He probably covers less than a thousand employees and in the Klamath Falls area our bureau covers approximately eight thousand employees.

Dr. Paul McKinney mentioned the fact that some of your employees might transfer from one operation to the other and we are both in agreement with the need of making this coverage as full and complete as possible, so if an employee is transferred from Canby to either Malin or your Rocky Point operations we will give the employee benefit for the time he has been covered by Dr. Paul McKinney's program. And Dr. Paul McKinney will do likewise should an employee be transferred from the Oregon operations to the Canby operations.

If you do elect to enter into this agreement with us for the coverage of the employees of Malin and Rocky Point we will be more than glad to send first aid kits, treatment

requisitions, payroll deduction report forms and any other information necessary. All of the medical doctors in Klamath County are members of Klamath Medical Service Bureau with the exception of the two Doctors Merryman. Another point with regard our contract that might not be understandable to you is with reference to payroll deduction for coverage. In the State of Oregon we have what is called a Hospital Association Law which permits the employer to enter into an agreement with an organization such as ours for the medical care of the employees and the employee, by virtue of this agreement, is automatically covered for all medical care as specified in the contract. However, the Oregon Law has a provision that any employee, at the annual renewal date of the contract or at the time of employment, has the right to reject the coverage. And in remitting to Klamath Medical Service Bureau on our forms it is only necessary that you list the
11048 names of any employees who reject this coverage at the annual renewal date of the contract or at the time of employment, and this rejection by the employee is supposed to be in his handwriting and signed by himself and kept in your files to prevent you from being liable for his medical care should he demand it at a later date.

Enclosed you will also find copy of a phamphlet printed for subscribers. We hope you will give one of these pamphlets to each employee if you elect to enter into an agreement with us.

Sincerely hoping this letter will answer any questions you might have with regards our service, and looking forward to a mutually beneficial agreement we remain

Yours very truly,

KLAMATH MEDICAL SERVICE BUREAU

By .....
Manager.

JLHICKS/gg

**Plaintiff's Exhibit 1194**

11049 February 28, 1940

Dr. Dammasch
Multnomah Medical Service Bureau
Portland, Oregon

Dear Dr. Dammasch:

Have been trying to line up the First National Bank's branch at Klamath Falls, but find that it would be necessary to contact Mr. O. H. Keller of their Portland Bank. They have at this time a plan which is optional to the employes that cost $1.25 a month but the plan is very limited and gives them practically no coverage in case of minor illness and only very partial coverage in case of seriour illness or injury. It is just possible that this contract might be obtained for the entire State through your office at Portland. If this can be done, it would be much more satisfactory for everyone concerned. Any help you can give us on this contract will greatly appreciated.

Enclosed find list of firms with whom we have contracted effective March 1. Also list of staff physicians and surgeons.

With best personal regards, I remain

Yours very truly,

KLAMATH MEDICAL SERVICE BUREAU
Manager

Enc.
JH:ms

11050 MULTNOMAH MEDICAL SERVICE BUREAU

ATWATER 6393 (Emblem) PITTOCK BLOCK

F. H. DAMMASCH, M. D.
Medical Director

Approved by the Oregon State Medical Society

"THE DOCTOR OWNED BUREAU"

PORTLAND, OREGON

March 1, 1940

Mr. Joe L. Hicks, Manager
Klamath Medical Service Bureau
355 East Main Street
Klamath Falls, Oregon

Dear Sir:

Upon receipt of your letter of February 28, I have contacted the proper individual at the Main Branch of the First National Bank and can report as follows:

We have at the present time a contract with a group of First National Bank employes numbering forty-three, and after talking with our contact man, Mr. Williams, suggest one of two plans to be followed by the employes in Klamath Falls: First, the institution of a direct contract with that branch bank which I am assured has authority to make salary deductions; or second, have the employes of Klamath Falls make application to come under our contract, remitting their dues monthly to Mr. Williams of the Main Branch in Portland, who would in turn remit to us and we thereupon, of course, remit to you. This roundabout way is suggested in the event you should meet with opposition to a direct contract in your local bank.

For your confidential information, twenty-two employes in Klamath Falls are now under that $1.25 a month plan which has not proven satisfactory; hence, the suggestion that you do a bit of intensive work just at this time in trying to secure the contract. Be assured of our help and cooperation in the matter.

We may also advise that we are dealing with the Oregon Bankers' Association in the hope of securing a State-wide contract for their employes in all Oregon banks. Subscribers in physician owned mutuals would, of course, be transfered to their coverage by this office.

From the list of firms under your coverage enclosed, it would seem that you are making splendid progress. May I again remind you that the Shell Oil Company contract is to terminate July 1 and it might be worth while to begin interesting those employes in either your or our Full Coverage plan. All local employes will probably come under our Full Coverage contract.

If we can be of any further assistance, please advise.

Cordially yours,

MULTNOMAH MEDICAL SERVICE BUREAU

(Signed) F. H. DAMMASCH MD
Medical Director

FHD:LC

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**Plaintiff's Exhibit 1268**

11051

T. L. HYDE, M. D.
THE DALLES, OREGON

April 1, 1949

Mrs. Annice Nogle
Klickitat, Washington

To Professional Services

$4.00

3.00
Office call on 9 Mar 49.
(Urinalysis) 1.00
re: Obesity.

Paid 16 Apr. 49
(Signed) T L HYDE, M.D.

**Plaintiff's Exhibit 1269**

11052 T. L. HYDE, M. D.
THE DALLES, OREGON

March 26, 1949

Mrs. Hazel Vogt
Klickitat, Washington

| | |
|---|---|
| off call | 3.00 |
| cbc | 2.50 |
| urine | 2.00 |
| fl. exam | 5.00 |

To Professional Services $12.00

General examination inc.
CBC, urinalysis
Fluoroscopy chest

Dx Cystocele & Rectocele
2° anemia
Furunculosis
Int. Hemorrhoids

Paid
(Signed) T L HYDE MD

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11053 THE PRUDENTIAL HOSPITAL ASSOCIATION

Morgan Building, Portland, Oregon
Day and Night Phone: BEacon 7227

THIS IS TO CERTIFY that Mrs Hazel Vogt is entitled to all benefits under The Prudential Hospital Association's contract from Mar 1 to Mar 31 1949

J. NEILS LUMBER CO.
COMPANY

By (Signed) L. N. OXFORD

• This slip to serve as voucher and attached to monthly statements by the physicians, surgeons and dentists. A new slip will be issued by employer as required.

This voucher does not entitle holder to medical or hospital care for accidents which occur while at work.

Form 3 51333

**Plaintiff's Exhibit 1270**

11054 THE PRUDENTIAL HOSPITAL ASSOCIATION

Morgan Building, Portland, Oregon
Day and Night Phone: BEacon 7227

THIS IS TO CERTIFY that Mr. G. H. Steindorf is entitled to all benefits under The Prudential Hospital Association's contract from Apr 1 to Apr 30 1949

J. NEILS LUMBER CO.
COMPANY

By (Signed) L. N. OXFORD

This slip to serve as voucher and attached to monthly statements by the physicians, surgeons and dentists. A new slip will be issued by employer as required.

This voucher does not entitle holder to medical or hospital care for accidents which occur while at work.

Form 3 51333

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11055 T. L. HYDE, M. D.
THE DALLES, OREGON

April 22, 1949

Mr. G. H. Steindorf
Klickitat, Washington

To Professional Services

$12.00

General examination with
Complete Blood Count
Analysis &
Fluoroscopy Chest
Fluoroscopic exam of Rectum.

| | |
|---|---|
| 1st call | 3.00 |
| CBC | 2.50 |
| urine | 1.00 |
| chest | 5.00 |

Pd.
(Signed) T. L. HYDE, M. D.

7314

11056 (Envelope)

After 5 days, return to
J. Neils Lumber Co.,
Klickitat, Wash.

(Cancelled 3¢ stamp)
(Postmarked)
Klickitat
5 PM
Apr 25
1949
Wash.

Prudential Hospital Association
Morgan Building
Portland, Oregon

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**Plaintiff's Exhibit 1273**

11057

2 0 0 0
5 0 0
2 5 0 0

R417
Gr. Phys
Ch. 23364

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11058 T. L. HYDE, M. D.
The Dalles, Oregon

24 May 49

Jake A Milberger
Appleton Wash.

To Professional Services
Pay 5.00 each up to 10 injections

Injection Hemorrhoids 7.50

5/24/49

(Signed) T. L. Hyde M.D. 1st injection

The Doctor ask me to pay this and Send the Bill to you and you pay me

(Signed) J Milberger
Klickitat
Wash

11059 T. L. HYDE, M. D.
THE DALLES, OREGON

17 May 49.

J. A. Milberger
Appleton Wash.

To Professional Services
$20.00
(Sigmoidoscopy etc $10.00) ok
(Excision thrombosed) Pile 10.00)
acute—2d. duration

m.b. injection (6 or so) of Int Hem.
contemplated — 6 mo duration.

(Signed) T. L. HYDE, MD

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11060 THE PRUDENTIAL HOSPITAL ASSOCIATION

THIS IS TO CERTIFY that Mr. Jake Milberger is entitled to all benefits under The Prudential Hospital Association's contract from May 1 to May 31 1949

J. NEILS LUMBER CO.
COMPANY

By (Signed) L. N. OXFORD

• This slip to serve as voucher and attached to monthly statements by the physicians, surgeons and dentists. A new slip will be issued by employer as required.

This voucher does not entitle holder to medical or hospital care for accidents which occur while at work.

Form 3 51333

11061 July 8, 1949

Jake A. Milberger
Appleton, Washington

Dear Mr. Milberger:

Enclosed will kindly find our check No. 25364, in the amount of $25.00, to reimburse you at the industry's established fee schecule for the treatment rendered you by Dr. T. L. Hyde of The Dalles, Oregon.

Very truly yours,

PRUDENTIAL HOSPITAL ASSOCIATION

Polly B. Cheney
Ass't Gen'l Mgr.

PC:c
enc.

---

**Plaintiff's Exhibit 1276**

11062 ARTHUR E. GESCHKE, M. D.
348 ANGLO BANK BUILDING
FRESNO, CALIFORNIA

Mr. Victor Wolf
2358 36th Ave.
San Francisco, California

---

*For Professional Services Rendered*

Mar. 22

House call ..... 6.00

Diagnosis: Acute gastro-enteritis

11063 No. ..... Fresno, Calif., Mar. 22 1949

Received of Victor Wolf

Six and no/100——————————Dollars

House call

For Professional Services:

Thank You

Arthur E. Geschke, M.D.
Physician and Surgeon
348 Holland Building
Telephone: 4-3342

By (Signed) J. DANDERMAN

This Payment $6.00

Balance . . . . $——

Cash ☒ Check ☐

---

11064 INDEPENDENCE LUMBER & MANUFACTURING COMPANY INC.
INDEPENDENCE, OREGON

PHONE INDEPENDENCE 44
TELETYPE: INDEPENDENCE 370

UNIVERSAL LUMBER CODE
2ND–3RD EDITION

May 25, 1949

Prudential Hospital Association
Morgan Building
Portland, Oregon

Gentlemen:

We are enclosing herewith invoice for medical care of Mr. Victor Wolf, one of our employees, who is a member of the Prudential Hospital Association.

7318

Please send a check to Mr. Wolf in care of this company for the expenses incurred for this medical care.

Very truly yours,

INDEPENDENCE LUMBER & MANUFACTURING CO., INC.

(Signed) F. H. SWIFT
F. H. Swift, President

3
Encl.

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11065 June 27, 1949.

Mr. Victor Wolf
% Independence Lbr & Mfg Co.,
Independence, Oregon.

Dear Mr. Wolfe:

This will acknowledge receipt of your bill for a house call by Dr. A. E. Geschke, of Fresno, California, six dollars.

We are enclosing herewith our check in the amount of five dollars, to reimburse you for the services rendered at our regular fee schedule.

Thanking you for your cooperation in obtaining for us the itemized bill and diagnosis, we are

Very truly yours,

PRUDENTIAL HOSPITAL ASSN.

Polly B. Cheney
Assistant Gen'l Mgr.

PC:c
enc.

**Plaintiff's Exhibit 1298**

11066 THE PRUDENTIAL HOSPITAL ASSOCIATION

Morgan Building, Portland, Oregon
Day and Night Phones: BEacon 7227

THIS IS TO CERTIFY THAT MR. *Jay Creighton* IS ENTITLED TO ALL BENEFITS UNDER THE PRUDENTIAL HOSPITAL ASSOCIATION'S CONTRACT FROM *June 1st* TO *June 30th* 1944

*J. Neils Lumber Co.*
COMPANY

BY (Signed) L. C. RICHARDSON
*Timekeeper*

• This slip to serve as voucher and attached to monthly statements by the physicians, surgeons and dentists. A new slip will be issued by employer as required.

FORM 3 23600

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11067 (*Envelope*)

After *10* days, return to
*Jay Creighton*
KLICKITAT, WASH.

(Cancelled 3¢ stamp)
(Postmarked)
Klickitat
5 PM
Jul 20
1944
Wash.

*The Prudential Hospital Association*
*Morgan Building*
*Portland, Ore.*

11068 July 22, 1944

Jay B. Creighton
Klickitat, Washington.

Dear Mr. Creighton:

We are returning your receipt for fifteen dollars which you had paid for services rendered by Drs. Reuter, Thompson, Coberth and Griffith.

Kindly have the physician state the nature of the illness or injury for which he treated you, as this information is required before we may pay bills for services rendered the employees.

Thanking you in advance for your cooperation in this matter, we are

Sincerely yours,
PRUDENTIAL HOSPITAL ASSOCIATION

Polly B. Cheney, Office Mgr.

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**Plaintiff's Exhibit 1299**

11069 Form No. 10

THE DALLES, OREGON, *5-31* 1945 No. 9648 H

RECEIVED OF *Tony Gonzlas*

ADDRESS *Glenwood, Wn.*

*Fifteen and no/100* ..... DOLLARS
*Hosp*

THE DALLES HOSPITAL CO.

*$15.00* (Signed) IS

11070 FORM 15

THE DALLES GENERAL HOSPITAL
TELEPHONE 2241

*The Dalles, Oregon, 6/1/ 194....*

Tony Gonzlas
Glenwood, Wn.

---

*Balance per Bill Rendered* ..... $.....

| | | | |
|---|---|---|---|
| *Room from* | *to* | .....*days @*..... | 5.50 |
| *Room from* | *to* | .....*days @*..... | |
| *Nursery from* | *to* | .....*days @*..... | |
| *Operating Room and Anesthetic* | | | 7.50 |
| *Dressing Room and Anesthetic* | | | |
| *Delivery Room* | | | |
| *Dressings* | | | |
| *Medicine Supplied by Hospital* | | | .50 |
| | | | $13.50 |
| *Laboratory Fees* Pd | | | 15.00 |
| *X-Ray Pictures* | | | |
| | | | |
| *X-Ray Treatments* | | | |
| *Extras* | | | |
| *L. D. Phones and Telegrams* | | | |

7322

11071 J. NEILS LUMBER COMPANY

MANUFACTURERS
PONDEROSA PINE AND FIR
KLICKITAT, WASHINGTON

(Emblem of Western Pine Association)

MILLS AT
LIBBY, MONTANA
KLICKITAT, WASHINGTON

SALES OFFICES
PORTLAND, OREGON
MINNEAPOLIS, MINN.
CHICAGO, ILL.
NEW YORK CITY

Camp Draper Springs
J. Neils Lumber Company
Glenwood, Washington

June 8, 1945.

Prudential Hospital Ass'n.,
Morgan Building,
720 S.W. Washington, Portland, 5, Oregon.

Gentlemen:

Enclosed is receipt in favor of

*Antonio Gonzales*

who is a regular monthly subscriber to the benefits of Prudential. Will you please reimburse said member and mail check to him at Glenwood, Washington.

J. Neils Lbr. Company,

By (Signed) R. S. PHIPPENY
Camp Clerk

**Plaintiff's Exhibit 1300**

11072 THE DALLES, OREGON, *5/11* 1945 No. 8487 K

RECEIVED OF *Antonio Gonzalez*

ADDRESS .....

*Three & 50/100* .....DOLLARS

THE DALLES CLINIC

PHYSICIANS AND SURGEONS

*$3.50* (Signed) (Illegible)

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11073 J. NEILS LUMBER COMPANY

MANUFACTURERS

PONDEROSA PINE AND FIR

KLICKITAT, WASHINGTON

(Emblem of Western Pine Association)

MILLS AT
LIBBY, MONTANA
KLICKITAT, WASHINGTON

SALES OFFICES
PORTLAND, OREGON
MINNEAPOLIS, MINN.
CHICAGO, ILL.
NEW YORK CITY

Camp Draper Springs
J. Neils Lumber Company
Glenwood, Washington.

May 22, 1945.

Prudential Hospital Ass'n.,
720 S.W. Washington,
Portland, Oregon.

Gentlemen:

Enclosed is a receipt by one of the J. Neils Lbr. Co. employees, who is a regular monthly subscriber to the benefits of Prudential.

Will you please reimburse said member—

*Antonio Gonzalez*

and mail check to him at Glenwood, Washington.

J. Neils Lbr. Company,

By (Signed) R. S. PHIPPENY
Camp Clerk